



5M, INC., P.O. BOX 752, HURRICANE, UTAH 84737 (801) 635-4473

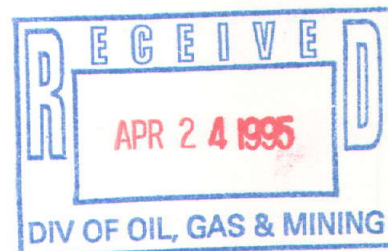
only w/ Hedley
cc (letter only) M. Wright
M/053/002
DOGM
MINERALS PROGRAM
FILE COPY

April 20, 1995

State of Utah
Division of Oil, Gas & Mining
355 West North Temple
3-Triad Center - Suite 350
Salt Lake City, Utah 84180-1203

Attn: Mr. Lowell P. Braxton
Director, Mining

Dear Mr. Braxton:



We did appreciate your participation and response in the conference call held this date with the Environmental Protection Agency (EPA), and representatives from other of the Utah State agencies attending.

Towards the end of the call, when the issue of access across private lands belonging to 5M, Inc. developed, principally by Ms. Sharon Kereher of EPA demanding that 5M, Inc. give access authority to EPA immediately (within 24-hours), and become a signatory to the Administrative Order - we in 5M, Inc. would like to take this opportunity to clarify these issues with you.

For the record, 5M, Inc. does recognize the rights of the Utah Division of Oil, Gas & Mining to cross our lands in the interests of reclamation if the Division feels it is necessary. And to this end, 5M, Inc. intends to cooperate with the Utah state agencies and civil authorities as is necessary for each to fulfill their designated responsibilities. We will do so, even though Mr. Wayne Thomas and Mr. Jason Knowlton, in our opinion, have been very unprofessional in taking sides with 'a property developer' at inception - agreeing to bring in the EPA to do 5M, Inc. under! This issue has become very political, with personal agendas as well as special interest groups, we believe, are being satisfied more for personal reasons than for any emergency needing special attention at the Silver Reef.

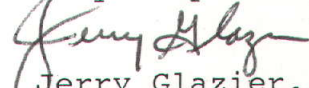
But be that as it may, 5M, Inc. has no intention at this time in restraining the Utah Division of Oil, Gas & Mining, and any other Utah state agency involved, to the Right of Access to the Silver Reef mining property; however, this right is not extended to the Federal EPA at this time. EPA access may be the most important leverage 5M, Inc. has to encourage the EPA to negotiate with 5M, Inc. reasonable paper work, liabilities, obligations, and steps for remediation, which to date 5M, Inc. has been completely denied this opportunity.

It would appear that 5M, Inc. and the EPA will most likely be involved in future court and litigation as the threats and actions of Ms. Sharon Kercher and Associates may leave us no choice. Be assured, this is not according to our desires.

Enclosed for your information and review is a copy of the EPA "Administrative Order of Consent". I doubt that you, nor your heirs, would feel they could sign and assume such awesome liabilities, obligations, and responsibilities as this document portrays. Also enclosed is a copy of the EPA form "Access Agreement". Note that this agreement also gives the EPA permission to do the removal and remediation, and who will then require reimbursement from 5M, Inc.

It is our hope that the very near future will in some way result in 5M, Inc. being able to submit updated applications with the State to resume mining and ore processing operations at the Silver Reef site, combined with the needed reclamation of the company's past operations. This to be done in such a way that the concerns of the past will be alleviated, and the future operations can be looked upon as an asset to the State and to Washington County. To this end, it is respectfully requested, and would be much appreciated, if the rights of 5M, Inc. as a property owner, a Mining Company, and an ore processor, also be supported as an operator in a long established Mining District.

Very respectfully,


Jerry Glazier,
President

JG:s

Encl's.

CONSENT FOR ACCESS TO PROPERTY

NAME: 5M, Incorporated
ADDRESS: 279 West State Street
P.O. Box 752
Hurricane, UT 84737

PROPERTY DESCRIPTION: South 1/2 of Section 1 and the north
1/2 of Section 12, Township 41 South,
Range 14 West of Salt Lake Baseline and
Meridian, Washington County, Utah

I consent to officers, employees, and authorized representatives of the United States Environmental Protection Agency (EPA) entering and having continued access to my property for the following purposes:

- o the taking of such soil, water, and air samples as may be determined to be necessary;
- o the sampling of any solids or liquids stored or disposed of on the site;
- o the drilling of holes and installation of monitoring wells subsurface investigation;
- o other actions related to the investigation of surface or subsurface contamination; and
- o for the removal or remediation of contamination.

I realize that these actions by EPA are undertaken pursuant to its response and enforcement responsibilities under the Comprehensive Environmental Response, Compensation and Liability Act (Superfund), 42 U.S.C. section 9601 et seq.

This written permission is given by me voluntarily with the knowledge of my right to refuse and without threats or promises of any kind.

DATE: _____

SIGNATURE: _____

TITLE: _____

PRINT NAME: _____

